

February 3, 2015

Housing Committee - Public Hearing on

Proposed S.B. No. 409, An Act Expanding Age-Restricted Housing Options for Elderly Persons,

Proposed S.B. No. 170, An Act Protecting Housing for Senior Citizens,

Proposed H.B. No. 6144, An Act Concerning Age-Restricted Housing Options for Elderly Persons, and

Proposed H.B. No. 6141, An Act Concerning the Expansion of Age-Restricted Housing Options for Elderly Persons.

Written Testimony of Cathy K. Forcier

Ladies and Gentlemen of the Housing Committee –

I have been a public housing practitioner for over 25 years. My experience includes being the current President of the Connecticut Chapter of the National Association of Housing & Redevelopment Officials more commonly known as CONN-NAHRO. I am currently the Executive Director of the Wethersfield Housing Authority.

I fully support S.B. 409 and also the similar legislation S.B. 170, H.B. 6144 and H.B. 6141. Under the current conditions, the number of apartments available to seniors in the state financed elderly housing portfolio is decreasing at an alarming rate.

In Wethersfield, there are 112 elderly apartments owned and managed by the Wethersfield Housing Authority. However, 49 or 45.37% of units are not rented by seniors but rather individuals under age 62. The percentage increases each year. At that same time there will be a steep increase in seniors driven by the aging baby boomer population.

The current trend also brings negative financial impacts. The housing developments in question receive no ongoing operational or capital subsidy. They are operated primarily on the rents collected. Residents pay the higher of an established base rent or income rent which should cover the cost of operations and long term capital improvement needs. However, the average income of a non-elderly household is about 20% lower than that of a senior. Lower rental income due to the lower incomes of the younger residents force increases to the base rents for all residents including seniors.

The State of Connecticut has made limited funding available through the Elderly Rental Assistance Payment (ERAP) program to assist those who cannot afford the base rents. Extremely low income non-elderly households have an increasing need for the limited ERAP funds as base rents are raised to meet increasing costs. There have been many

cases where households, including seniors, could not be added to the program due to a lack of funding. It will be difficult for the State of Connecticut to meet the increased need for ERAP in the current economic environment of budget deficits.

Housing authorities have also been faced with a need to increase rents to support the increase in resources needed to manage highly mixed population developments.

This includes both administrative and maintenance costs which must be passed along to all residents including seniors. For example, of the tenants who move-out and owe money to the housing authority, the average owed by the nonelderly is higher than the average amount owed by the elderly. It should be noted that security deposits are not held in these developments.

The drastically increased number of nonelderly individuals has had other impacts on what was once traditional senior housing. There is a lack of supportive services available to meet the needs of the younger population and community based mental health providers do not have resources to offer on-site services. Housing authorities are primarily providers of housing and not financially equipped to be social service providers. Adding social services comes at a cost which at this time can only be covered by rent increases to all residents. Seniors and younger individuals have very different lifestyles which has led to conflicts.

There are other housing programs that may be accessed by the non-elderly. They include federal housing programs such as, low income public housing, Section 8 vouchers and project based developments. In addition, the State of Connecticut has invested developed units of supportive housing over the past several years.

The Federal government and the State of Massachusetts have long recognized the need to preserve units for seniors. Under Federally funded low income housing program guidelines, housing authorities may designate specific developments or parts of developments as senior only. Since 1995 the State of Massachusetts financed developments give a preference to seniors when the population of seniors drops below 86.5% as is what is included with this proposed legislation.

It is important to note that this is a proposed preference for seniors does not seek to exclude younger individuals. It comes with flexibility built in where the apartments will be made available to the nonelderly should there be no elderly on the waiting lists.

The need to preserve housing for the State's aging population is very real as the trend is being felt throughout the State of Connecticut. I encourage you to support S.B. 409 and also the similar legislation S.B. 170, H.B. 6144 and H.B. 6141.

Respectfully submitted,

Cathy K. Forcier